## BEFORE THE

## **Federal Communications Commission**

WASHINGTON, DC 20554

In the Matter of	)	
	)	
2018 Quadrennial Regulatory Review - Review of	)	MB Docket No. 18-349
the Commission's Broadcast Ownership Rules and	)	
Other Rules Adopted Pursuant to Section 22 of	)	
The Telecommunications Act of 1996	)	

To: The Commission

## REPLY COMMENTS OF THE CRAWFORD BROADCASTING COMPANY

Crawford Broadcasting Company and its affiliates are licensees of 15 AM and 9 FM commercial broadcast stations in mostly large and medium markets all across the U.S.<sup>1</sup>

We submit the following reply comments in response to the Commission's Notice of Proposed Rulemaking in its 2018 Quadrennial Review ("NPRM").

A number of commenters supported the NAB's assertion that the competitive landscape in which radio broadcasters operate has changed considerably in recent years. We do not disagree – listeners have many choices today beyond traditional over-the-air broadcast radio, and to some degree, broadcast radio does compete with these services for both listeners and advertiser dollars.

We maintain, however, that traditional over-the-air radio remains a stand-alone medium, providing unique programming without cost to listeners. While broadcasters must, in many ways, work harder in this new landscape to attract and hold listeners and advertiser dollars, we do not believe that loosening or eliminating ownership caps would be beneficial. In particular, eliminating subcaps would, as we previously stated, have a serious detrimental effect on already struggling AM stations as existing AM programming would be moved to FM.

In its comments, Iheartcommunications, Inc. ("IHM") noted that relaxation of ownership limits could well undermine important efforts already underway in important FCC proceedings. We agree with this. In particular, any changes in ownership limits or subcaps should take into account the Commission's AM Revitalization proceeding, wherein it is recognized that the proceeding was initiated "to propose rule changes designed to improve the AM service". We applaud the Commissions efforts in this proceeding, both past and ongoing, and we strongly caution the Commission to consider that loosening ownership limits (and FM subcaps in particular) would very likely undo most of the benefits that have been achieved by AM Revitalization.

We also agree with IHM that the Commission's determination in its 2010/2014 Quadrennial Review Order that "alternative sources of audio programming are not currently meaningful substitutes

<sup>&</sup>lt;sup>1</sup> Crawford affiliates include KBRT, Costa Mesa, CA; KNSN, San Diego, CA; KCBC, Manteca, CA; KKPZ, Portland, OR; KLZ/KLDC, Denver, CO; KLTT, Commerce City, CO; KLVZ, Brighton, CO; WDCX-FM/WDCZ, Buffalo, NY; WDCX, Rochester, NY; WDJC-FM, Birmingham, AL; WYDE-FM, Cordova, AL; WXJC-FM, Cullman, AL; WYDE/WXJC, Birmingham, AL; WMUZ-FM, Detroit, MI; WMUZ, Taylor, MI; WCHB, Royal Oak, MI; WRDT, Monroe, MI; WPWX, Hammond, IN; WSRB, Lansing, IL; WYCA, Crete, IL; and WYRB, Genoa, IL.

<sup>&</sup>lt;sup>2</sup> IHM Comments at II-A.

<sup>&</sup>lt;sup>3</sup> AM Revitalization FNPRM at ¶ 3.

for broadcast radio stations in local markets"<sup>4</sup> remains valid today.<sup>5</sup> The free, over-the-air medium of broadcast radio remains a separate entity with a different purpose than alternative sources and as such, we agree with IHM that the broadcast radio market is the proper market for determining the need for any changes in broadcast ownership limits.

IHM notes in its comments that adoption of FM subcaps carries the unacceptable risk of turning a competition concern into a competition crisis as AM programming and audiences would migrate to the FM band. This, in turn, would have a great impact on AM station values. IHM states: "Above all else, regulators, like physicians, should do no harm," and because the elimination or loosening of FM subcaps could well cause serious harm to AM radio and in turn the listening public, such action should be avoided. Crawford agrees with this and joins IHM in asking the Commission not to implement changes to the FM subcaps.

In its comments, Alpha Media LLC ("Alpha") states that recent advances in technology, including online streaming, HD Radio and FM translators to augment AM signals have improved the ability of AM Radio to compete in the marketplace. Alpha further states that "audio service is simply audio service," and that "AM stations can be broadcast by FM translators, over the internet, on in-home devices, digitally and on FM HD-2 channels. The marketplace disparities between AM and FM stations have been eradicated by the increasing competitiveness of AM stations and the advent and expanding utilization of digital radio technology." On that basis, Alpha supports the elimination of subcaps in the local radio ownership rule.

While we agree that certain advances in technology have been of some help to AM stations, the reality is that many stations have been unable to take advantage of these advances for various reasons. HD Radio on AM, while viable, has been a challenge. Hybrid-mode AM digital transmissions place significant demands on transmission system and antenna bandwidth, and many stations cannot for technical or financial reasons make the required bandwidth improvements. FM translators, while a worthwhile augmentation for many AM stations, are not universally available for financial, technical or allocation reasons. This leaves many if not most AM stations at a significant technological disadvantage. We thus disagree with Alpha's reasoning.

The California Broadcasters Association ("CBA"), in a February 27, 2019 ex parte meeting with a representative from Chairman Pai's office, Commissioner O'Reilly and representatives from Commissioners Rosenworcei's, and Stark's offices, took the position on behalf of California broadcasters that AM only subcaps should be discarded and that such a revision could be critical to the survival and revitalization of AM radio. We, as a California broadcaster, wholly disagree. The removal of AM subcaps would permit entities to acquire AM stations in a market without restriction for the purpose of taking those stations out of play with respect to certain formats and demographics and relegating them to simulcasts and creating monopolies that would cripple other AM stations in the same market. This would work contrary to AM revitalization, causing harm and not improvement of the medium.

<sup>&</sup>lt;sup>4</sup> 2010/2014 Quadrennial Review Order at ¶ 94.

<sup>&</sup>lt;sup>5</sup> IHM Comments at II-B.

<sup>&</sup>lt;sup>6</sup> IHM Comments at IV-A.

<sup>&</sup>lt;sup>7</sup> Alpha Comments at ¶ 2.

<sup>&</sup>lt;sup>8</sup> Alpha Comments at ¶ 3.

In conclusion, Crawford would continue to encourage the Commission to carefully consider the effect that elimination or easing of current local radio ownership limits will have on competition, and the detriment that the removal or easing of FM and AM ownership subcaps will have on AM Radio.

Respectfully submitted, CRAWFORD BROADCASTING COMPANY

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